

May 2007

Dear Friends:

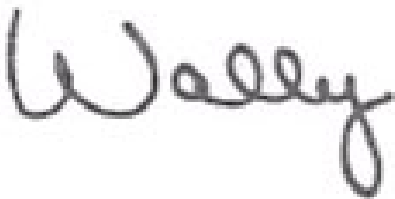
Thank you once again for signing up for my periodic "e-updates." These new e-mail updates are an important part of my ongoing efforts to utilize new technology to provide you with information about legislation and other issues of interest in Washington, as well as important issues and events in our Northern California congressional district, and to enable you to more easily share your views with me.

I hope to send a general update (such as this one) at regular intervals and follow up intermittently with issue-specific e-mails as developments on those issues warrant. I am hopeful you will find this a helpful, informative and easy-to-use resource.

Again, thank you for signing up to receive these periodic e-updates. Because this is an evolving communications tool, I invite you to share your comments or concerns with me -- if you have specific ideas about how to improve them, or how to make them more informative or easier to navigate, please let me know.

If you are having trouble viewing this email, please click [here](#) and you will be able to view this E-Update on my website. Should you wish to stop receiving my updates, please click [here](#) to unsubscribe or visit my website.

Sincerely,

A handwritten signature in dark ink, appearing to read "Wally". The signature is fluid and cursive, with a large initial "W" and a long, sweeping tail that loops under the name.

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## Legislative Update

### Iraq Funding Measure

Our mission in Iraq remains our country's foremost challenge. Previous strategies for success proved inadequate. As such, our men and women in uniform are now implementing a new comprehensive strategy under General Petraeus to secure Iraq and defeat al Qaeda terrorists and other extremists. I firmly believe we must give this plan a chance to work. Notwithstanding frustrations and sacrifices, success in Iraq is critical to our national security. Iraq will either become an important ally in the war against radical jihadists or a sanctuary for terrorists and a likely cohort of the dangerous regime in Iran. History will surely record the profound importance of the Iraq mission.

In late April, Congress passed legislation to provide supplemental funding requested by President Bush to support our troops fighting in Iraq. The bill, [H.R. 1591](#), was passed by the House by a very close vote of [218-212](#)

. I could not support this legislation. Congress should provide our men and women in uniform with the funds and resources they need to successfully carry out their mission in Iraq; however, the bill would mandate that U.S. troops begin leaving Iraq by this October, which amounts to a signal of surrender to our enemies in Iraq and elsewhere. Moreover, these provisions represent congressional micromanagement of the war in Iraq, which I am concerned will undermine our commanders in the field and affect the morale of our soldiers, marines, sailors and airmen. Fortunately, the president vetoed this bill. Now it is up to Congress to act quickly to provide "clean" legislation that will provide our troops the funds they need without the mandatory withdrawal provisions that are harmful to our men and women in uniform.

[Read more](#)

### Important Flood Control Legislation

The House recently considered and passed important legislation addressing several flood control priorities for Northern California. The Water Resources Development Act of 2007 (WRDA), [H.R. 1495](#), a bill that provides legal authority for the U.S. Army Corps of Engineers to

plan and construct various water development projects across the nation, including navigation, harbor and flood control projects, passed by a vote of [394 to 25](#) . Included in this larger water resources bill was language I supported for our area that will authorize the Corps to continue important work on [levees in Yuba County](#) , as well as an authorization for continued work on the [J-levee project](#) in Hamilton City.

Securing federal funding and support for flood control in the flood-prone areas of our congressional district continues to be a very important priority. Next, the bill will be considered by the United States Senate. If it passes, a conference committee will work to develop a compromise between the House and Senate versions of the bill, and a final bill will be approved and sent to the president for enactment. [Share your thoughts](#)

### **Ill-advised Federal Budget**

Recently, Congress passed the 2008 budget, legislation that establishes overall spending and taxation levels for the federal government over the next five years. As a member of the Republican Study Committee (RSC), a group of over 110 House members committed to fiscal responsibility, I believe that a responsible federal budget must keep taxes low and reduce spending, both of which are vital to our nation's future economic well-being. Sadly, the majority party's budget did neither. In fact, by allowing the important tax relief of 2001 and 2003 to expire, it calls for the largest tax increase in American history.

According to a new Heritage Foundation report, under the House-passed budget, the average tax increase per taxpayer in our Northern California congressional district would be \$2,400. Moreover, the budget the House passed fails to address the out-of-control growth in spending in Social Security, Medicare and Medicaid. Therefore, I strongly opposed it, and instead supported the Republican alternative, sponsored by Budget Committee Ranking Member Rep. Paul Ryan, which would balance the budget without raising taxes, create \$279 billion in savings in entitlement spending, and ensure that Social Security money is not spent on other programs. The tax relief of 2001 and 2003 -- which included, among other provisions, marriage penalty relief, an increase in the child tax credit, marginal tax rate reductions and reductions on capital gains and dividend taxes -- has been instrumental to the nation's recent economic success and allowed Americans to keep more of their own money. I believe allowing it to expire would be

very irresponsible. [Read more](#)

### **Walter Reed Army Medical Center**

You may have heard or read about the dreadful conditions some of our returning military men and women have encountered at Walter Reed Army Medical Center in Washington, DC. Like all Americans, I was appalled to learn that our men and women in uniform had encountered such poor conditions at the outpatient clinics at Walter Reed, and am concerned about what that might mean about the care and treatment they are receiving elsewhere. In addition, many returning veterans have become lost in an onerous maze of bureaucracy as they have sought the health and other financial benefits to which they are entitled as veterans.

You will be pleased to know that Congress recently passed legislation, [H.R. 1538](#) , to address many of these serious problems and concerns. Please be assured that I will continue to monitor this very important issue, including the ongoing efforts to determine whether similar problems exist at military and VA clinics elsewhere in the country, and if so, support legislation to address them. I am happy to report that patient surveys at our local VA clinics in Northern California have found above-average satisfaction and quality of service, and I will continue to work to help these facilities add more services for veterans in our area.

[Read More.](#)

### **Entitlement Trouble**

On April 23, the annual Social Security and Medicare Trustees released their [annual reports](#) on the financial situation of Social Security and Medicare. They discuss changes in these important entitlement programs that have occurred over the previous year, and provide insight into their overall financial condition.

We already know that the financial condition of these programs is alarming, and the reports indicated that the problems remained unsustainable with another year of inactivity in Congress.

Mr. Thomas Saving, a Social Security and Medicare trustee, summed up this very serious problem in a May 9 opinion piece in the Wall Street Journal: "for Social Security, the trustees estimate the 75-year burden on general revenues at \$6.7 trillion. For Medicare the comparable burden on general revenues is \$24.2 trillion, even after allowing the current transfers to grow with the economy. Thus the total burden these programs will impose on federal finances over the next 75 years is \$31.9 trillion, more than six times the current outstanding federal debt. Looking beyond 75 years into the indefinite future, the combined long-run funding gap for Social Security and Medicare is \$74.8 trillion in today's dollars."

With each year that passes without improvements in these programs, the problem will only get worse. Even modest congressional action now would greatly minimize the funding shortfall years down the road. The longer we wait to take effective action, the harder and more expensive the solution will be. We owe it to our children and grandchildren to take responsible action to address this impending fiscal crisis now, rather than leave them with a legacy of massive tax increases or a crippling debt burden. It is very irresponsible to continue ignoring the problem. [Share your thoughts](#)

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Pending Legislation and Issues Important to Northern CA

### **Supporting our Veterans**

We are constantly reminded of the sacrifices our men and women in uniform -- and their families -- make to keep us free and safe here at home. That makes it all the more important that veterans -- those of prior conflicts, as well as of more recent ones -- continue to receive the nation's support when they return home from service. To that end, I recently introduced legislation that would afford California veterans greater access to low-cost home mortgages. Specifically, I joined with California Congresswoman Susan Davis in introducing [H.R. 551](#), the "Home Ownership for America's Veteran's Act." This legislation would enhance the extremely successful CalVet program to help even more of our nation's veterans achieve the American dream of home ownership.

[Share your thoughts](#)

### **Supporting Secure Rural Schools Funding**

The reauthorization of the Secure Rural Schools funding continues to be a high priority for Northern California, and something we're actively supporting legislation to achieve. As many of you know, money for county schools and roads -- some of which has traditionally come from revenues generated by timber harvests on our national forests -- has declined to alarmingly low levels as harvest levels have declined dramatically over the last several decades. The lack of responsible forest management has not only meant incredible financial hardship for many of rural counties in Northern California; it has also resulted in a public health and safety emergency in our national forests, where overgrown and unhealthy conditions have created a dangerous threat of catastrophic wildfire.

With my support, Congress passed legislation in 2000 that responded to this serious financial problem by providing rural counties with temporary "safety net" funding. That program has been very important for Northern California. Northern California counties have received around \$25 million per year since its inception, with funding going to Siskiyou, Trinity, Shasta, Tehama, Butte, Glenn, Colusa, and Yuba Counties. Unfortunately, the law will expire this year, and unless Congress acts, these rural counties will lose millions of dollars that they currently rely on for local education and road services. I have cosponsored legislation, [H.R. 17](#), which would extend the program for an additional five years. In addition, the Supplemental Appropriations bill recently passed by the House includes funding for a one-year extension of the program. As indicated earlier, however, that legislation faces an uncertain future.

[Read more](#)

### **Crisis in Darfur**

A number of you continue to contact me with your concerns about the terrible human tragedy in the Darfur region of Africa. I share your concerns, and agree with you that the United States should continue doing everything it can to bring an end to the violence in this war-torn region. Hundreds of thousands of people, mostly civilians, have been killed or forced into exile. I believe the international community should work together in confronting this tragedy. It is becoming apparent, however, that a few countries in the United Nations seemingly support the Sudanese government and are playing a key role in preventing the international body from effectively addressing this terrible situation. If this ineffectiveness continues, our nation and allies may need to take firmer actions aimed at fostering peace and ending the genocide in this war-torn region. [Read more](#)

## **Biomass Energy Legislation**

As a member of the House Ways and Means Committee, which has jurisdiction over taxes, trade, health care and Social Security, I have long supported tax incentives to encourage the use of forest biomass -- otherwise unmerchantable trees and other forest debris -- in the production of electricity. It is a win-win for Northern California, providing a much needed source of clean, renewable electricity while at the same time providing a means to dispose of the debris that is clogging our dense, overcrowded forests.

I recently introduced legislation along with Florida Congressman Kendrick Meek -- [H.R. 1924](#), the Renewable Energy Tax Credit Equity Act of 2007 -- that would expand existing biomass tax incentives. Specifically, it would bring the investment tax credit for biomass up to the same level as that of other renewable technologies -- such as wind and geothermal -- and effectively level the playing field for this important source of renewable energy. A

["Dear Colleague"](#)

letter was recently sent to all Members of Congress soliciting their support for this legislation.

[Share your thoughts](#)

## **Health Care Legislation**

On the health care front, I recently co-sponsored legislation -- [H.R. 1730](#), the MedPAC Rural Representation Act -- that would ensure that rural Medicare beneficiaries and rural health care providers are fairly represented on the Medicare Payment Advisory Committee, also known as MedPAC. MedPAC is a nonpartisan commission that advises Congress on Medicare payment issues. Congress looks to MedPAC's advice when it considers Medicare issues, and so it is very important -- given the unique health care challenges facing rural areas such as ours -- that MedPAC should have sufficient representation from individuals who understand the needs of rural areas.

[Share](#)

[your thoughts](#)

## District News



### Constituents in the News

I recently had the opportunity to meet with a group of students at Chico State University who had volunteered their time earlier this year to help rebuild homes in New Orleans that had been damaged by Hurricane Katrina. Most of these students are involved with the construction management and engineering programs at Chico State, and were able to lend their talents and abilities to help their fellow citizens rebuild from a devastating natural disaster. I was very proud of these young men and women and so encouraged by their service to our nation.

### "Tele-Town Halls"

We recently concluded our latest series of "tele-town halls." In calls over the course of three nights at the end of April, over 13,000 people from every county in our Northern California congressional district participated. This exciting new technology offers yet another way to communicate directly with you on the federal issues that are important to you. The best aspect of this new technology is that it allows you to share your views from the comfort of your own home. To those of you who were able to join us for one of these calls, thank you for doing so. I hope you found it an informative and enjoyable format in which to share your views and hear the thoughts of fellow Northern Californians on important federal issues. If you missed this most recent series of "tele-town halls," look for a newsletter later this year where the dates and places



of the next round of calls will be announced. [Share your thoughts](#)